Characteristics of Japanese Ski Resorts and MACEARTH’s mountain resort regeneration
MACEARTH summary
MACEARTH GROUP Key Figures  (As of October 1st, 2015)

Winter season

34 Snow Resorts in Japan

2,94 million skier days

Summer season

15 Green resorts

9 Golf courses

6 Campsites

Hotels & Ryokan

29 Accommodations

Outdoor education

9 Outdoor Education facilities

Group’s turnover in 2014:

16 billion yen
MACEARTH GROUP HISTORY

1961  Diner in ski area opened
1962  Accommodation business started
1968  Outdoor Education business started

2008  Ski resort regeneration business started
2012  Golf business started

Number of schools
MACEARTH received for Outdoor Education Programme

Number of ski resorts
MACEARTH

Data charts demonstrate growth in different business areas and educational programs.
Characteristics of Japanese Ski Resort
Characteristics of Japanese ski resorts

Japan has a favorable natural environment for Ski

Ski resorts distribution in Japan

- As Japan is surrounded by the sea everywhere, with winds containing a large amount of water vapor from the sea, there are continuously large amount of powder snow during winter season.

Japanese ski resorts are reachable from big cities within 1〜3 hours by car

Tokyo (population: 13.35 millions)

Sapporo (population: 1.91 millions)

Osaka (Population: 2.66 millions)

Nagoya (Population: 2.26 millions)

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MAC EARTH
Majority of customers: One-day trip skiers

- Majority of Japanese skiers don’t stay at accommodation when they go to ski. Certain ski resorts doesn’t have accommodations.
- Sales are based on number of cars, not on number of beds.
Characteristics of Japanese ski resorts

Strong tendency of snowboarding for young people

High ski rate in teens due to their school program for ski

“Leisure White Paper 2015” by Japan Productivity Center

- Senior people: ski, young people: snowboard
- “YUKI MAJI” Free lift campaign for 19 years old all over Japan since 2012:
  90% of them chose snowboard
- Even small ski area has snowpark.
Why is Japanese Ski Market shrinking?

Number of worldwide skier visits has been remaining stable. Japan is only country that decreased remarkable number of skier visits.

Laurent Vanat Consultant “International Report on Snow & Mountain Tourism”
Why is Japanese Ski Market shrinking?

Japan’s ski boom that peaked in 1994 was an abnormal value.

- During the boom, waiting for chairlifts over an hour was very common.
- Winter sports culture was not formed during the boom.
- As a result of decrease in sales and stop of capital investment, the charm and value of the equipment was severely degraded as leisure facilities.
- As a reaction to big ski boom, winter sports have been basically ignored by the media.

<Episodes that proves ski boom in Japan>

- During weekend or consecutive holidays, there was over 100km traffic jam from Tokyo to ski resort.
- Tokyo Disney Land broadcasted TV CM during ski boom with a slogan “Let’s go see Micky than go Ski”.
MACEARTH Business model
MACEARTH Business model

Grouping Ski Resorts
Grouping ski resorts which don’t have enough resources

Area Dominance Strategy
Operate not only ski resort but also hotel or golf course in the same area

Efficient marketing + Stable employment

Partnership with local government
- Operation of municipal leisure facilities as a designated administrator.
- Employment of local people for senior managers

Sales increase + Cost reduction

Propel regional regeneration
Selection criteria of Ski resorts acquisition

Is this ski resort indispensable for the area?

Is it possible to improve the profitability and to provide net cash?

Is this ski resort indispensable for winter sports culture?

Are there any customers who need this ski resort?
Targeting customers among group’s ski resorts

Famliy Use

Free style

Race center

One-day Trip

Skiers Only

Early morning/ Late-night hours
Outlook for Japanese Ski tourism

Japanese snow resort needs to become “Tourism”, not just “Leisure”

-The majority of Japanese skiers & snowboarders are one-day trip.

-Ski resort villages are rare in Japan (few in Hokkaido and in some hot spring town)

-Package tour including city tour + ski